

**Head 158 — GOVERNMENT SECRETARIAT: TRANSPORT AND HOUSING
BUREAU (TRANSPORT BRANCH)**

Controlling officer: the Permanent Secretary for Transport and Housing (Transport) will account for expenditure under this Head.

Estimate 2012–13..... **\$145.8m**

Establishment ceiling 2012–13 (notional annual mid-point salary value) representing an estimated 144 non-directorate posts as at 31 March 2012 rising by five posts to 149 posts as at 31 March 2013..... **\$68.9m**

In addition, there will be an estimated 20 directorate posts as at 31 March 2012 and as at 31 March 2013.

Commitment balance **\$3.9m**

Controlling Officer's Report

Programmes

- Programme (1) Director of Bureau's Office** This programme contributes to Policy Area 27: Intra-Governmental Services (Secretary for Transport and Housing).
- Programme (2) Land and Waterborne Transport** This programme contributes to Policy Area 21: Land and Waterborne Transport (Secretary for Transport and Housing).
- Programme (3) Air and Sea Communications and Logistics Development** This programme contributes to Policy Area 3: Air and Sea Communications and Logistics Development (Secretary for Transport and Housing).

Detail

Programme (1): Director of Bureau's Office

	2010–11 (Actual)	2011–12 (Original)	2011–12 (Revised)	2012–13 (Estimate)
Financial provision (\$m)	10.6	12.5	10.9 (–12.8%)	13.0 (+19.3%)
				(or +4.0% on 2011–12 Original)

Aim

- 2 The aim is to ensure the smooth operation of the Office of the Secretary for Transport and Housing.

Brief Description

3 The Office of the Secretary for Transport and Housing is responsible for providing support to the Secretary for Transport and Housing in undertaking political work. This includes the support provided by the Under Secretary and the Political Assistant. The Office is also responsible for providing administrative support to the Secretary for Transport and Housing in carrying out her duties. The work includes the planning, co-ordination and implementation of all arrangements for the Secretary's public, media and community functions.

Programme (2): Land and Waterborne Transport

	2010–11 (Actual)	2011–12 (Original)	2011–12 (Revised)	2012–13 (Estimate)
Financial provision (\$m)	73.2	76.3	76.2 (–0.1%)	80.4 (+5.5%)
				(or +5.4% on 2011–12 Original)

Head 158 — GOVERNMENT SECRETARIAT: TRANSPORT AND HOUSING BUREAU (TRANSPORT BRANCH)

Aim

4 The aims are to plan for and implement the construction and improvement of our transport infrastructure, with emphasis on railways; further promote the usage of public transport services by improving their quality and co-ordination; improve cross-boundary rail and road linkages; manage road use, reduce congestion and promote safety; and continue to support environmental improvement measures in transport-related areas.

Brief Description

5 The Branch's main responsibility under this programme is to formulate policies on the development of the transport infrastructure, the provision of transport services, the management of traffic, and the support of environmental improvement measures in transport-related areas.

6 In 2011–12, the Branch:

- oversaw the implementation of the West Island Line (WIL), the South Island Line (SIL) (East) and the Kwun Tong Line Extension (KTE);
- oversaw the further planning and public consultation of the Shatin to Central Link (SCL) and the gazettal of the railway scheme;
- secured funding approval for the construction of the SCL advance works;
- oversaw the construction of the Hong Kong section of Guangzhou-Shenzhen-Hong Kong Express Rail Link (XRL);
- oversaw the commissioning and progress of the review and update of the Railway Development Strategy 2000;
- in conjunction with the governments of Guangdong and the Macao Special Administrative Region, oversaw the progress of the construction works of the Hong Kong-Zhuhai-Macao Bridge (HZMB) Main Bridge;
- secured funding approval for and kick-started the reclamation works of the Hong Kong Boundary Crossing Facilities (HKBCF), the detailed design and construction works of the Hong Kong Link Road (HKLR), and the detailed design, site investigation and advance works of Tuen Mun-Chek Lap Kok Link (TM-CLKL) under the HZMB project;
- maintained policy overview regarding the works for the traffic improvements to Tuen Mun Road Town Centre Section and the reconstruction and improvement of Tuen Mun Road for completion in 2013 and phased completion in 2014 respectively;
- oversaw the progress of the planning and design for the Tuen Mun Western Bypass, the Central Kowloon Route, the widening of Tolo Highway/Fanling Highway between Island House Interchange and Fanling - Stage 2, the Cross Bay Link, as well as the Tseung Kwan O-Lam Tin Tunnel projects;
- oversaw the progress of works for the Central-Wan Chai Bypass and Island Eastern Corridor Link and the widening of Tolo Highway/Fanling Highway between Island House Interchange and Fanling - Stage 1 projects;
- oversaw the feasibility studies on the proposed pedestrian schemes in Causeway Bay and Mong Kok; consulted the public on the proposed scheme in Causeway Bay and also continued the public engagement exercise on the proposed pedestrian scheme in Yuen Long town centre;
- oversaw the technical feasibility studies on the higher-ranking proposals on the provision of hillside escalator links and elevator systems;
- secured funding approval for the design works for the retrofitting of barrier-free access facilities at public footbridges, elevated walkways and subways as well as phase 1 retrofitting works;
- oversaw the operation of cross-boundary ferry services, including the new service between Hong Kong and Macao at Tuen Mun Ferry Terminal which commenced in mid April 2011;
- continued to jointly administer with the relevant Guangdong authorities the regulatory regime for cross-boundary vehicles and provided 65 special quotas with additional northbound trips for cross-boundary school bus services in the 2011/12 school year;
- oversaw the implementation of the first phase of the ad hoc quota trial scheme for cross-boundary private cars at Shenzhen Bay Port by March 2012, and the formulation of arrangements for the second phase for Guangdong private cars to enter Hong Kong;
- introduced legislative amendments to increase First Registration Tax for private cars to contain the growth of private cars;
- oversaw the implementation of the recommendations of the Task Force on Emergency Transport Co-ordination;
- introduced legislative amendments to enhance the safety of public light bus operation;
- consulted the public and then introduced legislative amendments to combat drug driving;

Head 158 — GOVERNMENT SECRETARIAT: TRANSPORT AND HOUSING BUREAU (TRANSPORT BRANCH)

- assessed possible measures to improve the traffic distribution among the three road harbour crossings (RHCs), in the light of feedbacks received during the public consultation on the findings and recommendations of the consultancy study on the rationalisation of the utilisation of the three RHCs;
- worked jointly with franchised bus companies on the deployment of environment-friendly buses along busy corridors and enhancement of bus service rationalisation; and
- oversaw the implementation of helping measures for the six major outlying island ferry trunk routes with a view to enhancing the long-term financial viability of these services and maintaining fare stability.

Matters Requiring Special Attention in 2012–13

7 During 2012–13, the Branch will:

- oversee the authorisation of the SCL railway scheme and secure funding approval for the construction of the SCL main works;
- continue to oversee the construction of the Hong Kong section of the XRL;
- continue to oversee the implementation of the WIL, the SIL (East) and the KTE;
- continue to oversee the progress of the review and update of the Railway Development Strategy 2000;
- continue to oversee the progress of the works for the Central-Wan Chai Bypass and Island Eastern Corridor Link, the widening of Tolo Highway/Fanling Highway between Island House Interchange and Fanling - Stage 1, the reconstruction and improvement of Tuen Mun Road (including the Town Centre Section); and the planning and design of the Tuen Mun Western Bypass, TM-CLKL, the Central Kowloon Route, the widening of Tolo Highway/Fanling Highway between Island House Interchange and Fanling - Stage 2, the Cross Bay Link and the Tseung Kwan O-Lam Tin Tunnel;
- in conjunction with the governments of Guangdong and the Macao Special Administrative Region, continue to oversee the works of the HZMB Main Bridge;
- oversee the progress of construction of the HKBCF, HKLR and TM-CLKL advance works under the HZMB project;
- continue to keep the current quota arrangements for cross-boundary vehicles under review with a view to facilitating vehicular and passenger traffic at all land crossings, and to work with the relevant Guangdong authorities to monitor the operation of the first phase of the ad hoc quota trial scheme, and prepare for and implement the second phase;
- continue to monitor the operation of cross-boundary ferry services;
- continue to review licensing policy and pursue effective measures to improve different licensing-related services;
- continue to take forward the proposed pedestrian schemes in Causeway Bay, Mong Kok and Yuen Long town centre;
- continue to oversee the technical feasibility studies on the higher-ranking proposals concerning the provision of hillside escalator links and elevator systems, and proceed with the preliminary design of those proposals which are found technically feasible;
- continue to oversee the design works for the retrofitting of barrier-free access facilities at public footbridges, elevated walkways and subways as well as the implementation of phase 1 retrofitting works; and to secure funding approval for phase 2 retrofitting works;
- continue to oversee the implementation of the recommendations of the Task Force on Emergency Transport Co-ordination;
- continue to oversee the introduction of new measures by means of legislation, enforcement and education to enhance road safety;
- continue to consider and take forward possible measures to rationalise the utilisation of the three RHCs;
- oversee the process of renewing the franchises of New World First Bus Services Limited, Long Win Bus Company Limited and Citybus Limited (Franchise for Airport and North Lantau Bus Network); and
- continue to oversee the implementation of helping measures for the six major outlying island ferry trunk routes.

**Head 158 — GOVERNMENT SECRETARIAT: TRANSPORT AND HOUSING
BUREAU (TRANSPORT BRANCH)**

Programme (3): Air and Sea Communications and Logistics Development

	2010–11 (Actual)	2011–12 (Original)	2011–12 (Revised)	2012–13 (Estimate)
Financial provision (\$m)	38.8	48.6	50.8 (+4.5%)	52.4 (+3.1%)
				(or +7.8% on 2011–12 Original)

Aim

8 The aims are to maintain and further develop Hong Kong's position as a centre of international and regional aviation by ensuring continued compliance with relevant international obligations and standards, providing sufficient airport capacity to meet the demands and high standard of civil aviation management, and facilitating the continued development of safe and reasonably-priced air links to a wide range of destinations to meet the needs of the travelling public and shippers; maintain and further develop Hong Kong as an international shipping and maritime centre; promote shipping safety and ensure continued compliance with relevant international standards of ships registered in Hong Kong or registered elsewhere which visit our port; ensure that the port of Hong Kong is able to expand continuously so as to sustain Hong Kong's economic growth and meet the demands of trade; and strengthen the role of Hong Kong as the preferred international transportation and logistics hub in Asia.

Brief Description

9 The Branch's main responsibility under this programme is to formulate and implement policies on all aspects of civil aviation, shipping and port development, and logistics development.

10 In 2011–12, the Branch:

- reviewed air services arrangements with two aviation partners up to October 2011, as our continuous efforts to expand Hong Kong's air services network;
- introduced legislative amendments to implement the proposals arising from the review on the regulatory regime of the Air Transport Licensing Authority (ATLA) for our local airlines;
- worked with the Airport Authority Hong Kong (AA) and the Civil Aviation Department (CAD) in enhancing the capacity of the existing runways and other airport facilities, such as implementing the midfield expansion project;
- worked with the AA in the Hong Kong International Airport Master Plan 2030 Study and the related public consultation;
- continued the planning of the Hong Kong-Shenzhen Western Express Line;
- organised visits to the Mainland and abroad to promote the awareness of the strengths of Hong Kong as an international maritime centre and a regional logistics hub;
- made available suitable sites for the development of a logistics cluster and for other port-related uses in the Kwai Tsing area;
- maintained discussion with the Guangdong authorities over cross-boundary freight flow;
- worked with the logistics industry to promote e-logistics;
- worked with the Hong Kong Productivity Council to monitor the implementation of a pilot project on an On-Board Trucker Information System;
- worked with the Chartered Institute of Logistics and Transport in Hong Kong (CILTHK) and the Hong Kong Association of Freight Forwarding and Logistics Limited (HAFFA) to develop and implement a training programme for the freight logistics sector;
- worked with the GS1 Hong Kong and the Li & Fung Institute of Supply Chain Management & Logistics to conduct a feasibility study on supply chain visibility across Guangdong, Hong Kong and other areas in Asia;
- worked with the Hong Kong Trade Development Council to organise the Asian Logistics and Maritime Conference on 25 November 2011 to highlight Hong Kong's status as a high-value goods inventory management and regional distribution centre as well as an international maritime centre, and to provide a high-level platform for regional discussion of important industry development issues; and
- oversaw the preliminary feasibility study for Container Terminal 10 at Southwest Tsing Yi, the Study on the Strategic Development Plan for Hong Kong Port 2030 and the dredging works for the Kwai Tsing Container Basin and its approach channel.

**Head 158 — GOVERNMENT SECRETARIAT: TRANSPORT AND HOUSING
BUREAU (TRANSPORT BRANCH)**

Matters Requiring Special Attention in 2012–13

11 During 2012–13, the Branch will:

- continue to work with the AA in taking forward the Hong Kong International Airport Master Plan 2030;
- continue the planning of the Hong Kong-Shenzhen Western Express Line in collaboration with the Shenzhen authorities;
- continue to work with the AA on initiatives that will ensure adequate airport capacity, particularly the midfield expansion project, further improve airport services and enhance the airport's connectivity and competitiveness;
- continue to maintain an effective civil aviation management system and take forward legislative work to ensure that our legal framework for regulating civil aviation is in line with international standards;
- continue to seek to rationalise and optimise the efficient use of the airspace in the Pearl River Delta region in partnership with the civil aviation authorities of the Mainland and Macao, and to open up more air routes to and from the Mainland;
- continue to oversee the development of a new departmental building of the CAD on the Airport Island and the replacement of the air traffic control systems;
- make preparations for the implementation of the proposals arising from the review of ATLA's regulatory regime;
- further liberalise our air services regime with aviation partners, thereby strengthening Hong Kong's status as an international and regional aviation centre;
- continue to work closely with the logistics industry to promote e-logistics;
- continue to identify suitable sites for logistics development in collaboration with relevant departments whilst maintaining policy overview regarding the development of the Lantau Logistics Park, and oversee the provision of land for port and related uses in the Kwai Tsing area;
- continue to collaborate with the CILTHK and the HAFFA to ensure the smooth implementation of the training programme for the freight logistics sector;
- continue to take forward legislative proposals to enable the implementation of new and revised international maritime standards in Hong Kong;
- continue to examine ways to reinforce Hong Kong's position as an international maritime centre; and
- continue to oversee the preliminary feasibility study for Container Terminal 10 at Southwest Tsing Yi, the Study on the Strategic Development Plan for Hong Kong Port 2030, and to take forward the dredging works for the Kwai Tsing Container Basin and its approach channels.

**Head 158 — GOVERNMENT SECRETARIAT: TRANSPORT AND HOUSING
BUREAU (TRANSPORT BRANCH)**

ANALYSIS OF FINANCIAL PROVISION

Programme	2010–11 (Actual) (\$m)	2011–12 (Original) (\$m)	2011–12 (Revised) (\$m)	2012–13 (Estimate) (\$m)
(1) Director of Bureau’s Office.....	10.6	12.5	10.9	13.0
(2) Land and Waterborne Transport	73.2	76.3	76.2	80.4
(3) Air and Sea Communications and Logistics Development.....	38.8	48.6	50.8	52.4
	122.6	137.4	137.9 (+0.4%)	145.8 (+5.7%)
				(or +6.1% on 2011–12 Original)

Analysis of Financial and Staffing Provision

Programme (1)

Provision for 2012–13 is \$2.1 million (19.3%) higher than the revised estimate for 2011–12. This is mainly due to the provision required for filling the position of Political Assistant.

Programme (2)

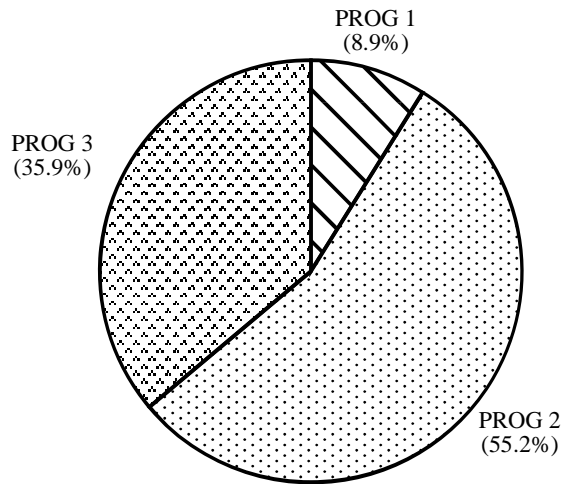
Provision for 2012–13 is \$4.2 million (5.5%) higher than the revised estimate for 2011–12. This is mainly due to the increased provisions for a net increase of two posts in 2012–13, filling of vacancies and salary increments. In addition, one post will be created in 2012–13 to provide support to Programme (2) and Programme (3).

Programme (3)

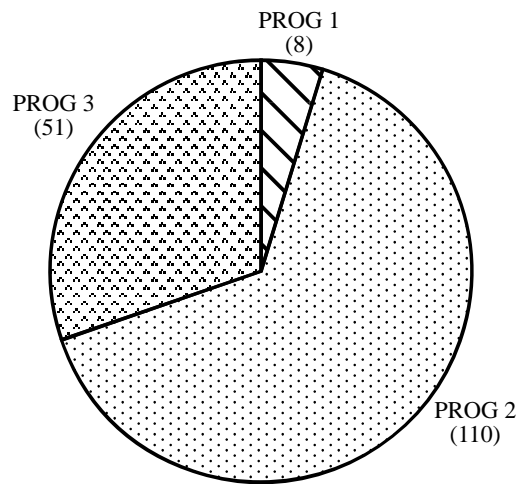
Provision for 2012–13 is \$1.6 million (3.1%) higher than the revised estimate for 2011–12. This is mainly due to the increased provisions for the creation of two posts in 2012–13, salary increments and operating expenses, partly offset by reduced requirement for non-recurrent items.

**Head 158 — GOVERNMENT SECRETARIAT: TRANSPORT AND HOUSING
BUREAU (TRANSPORT BRANCH)**

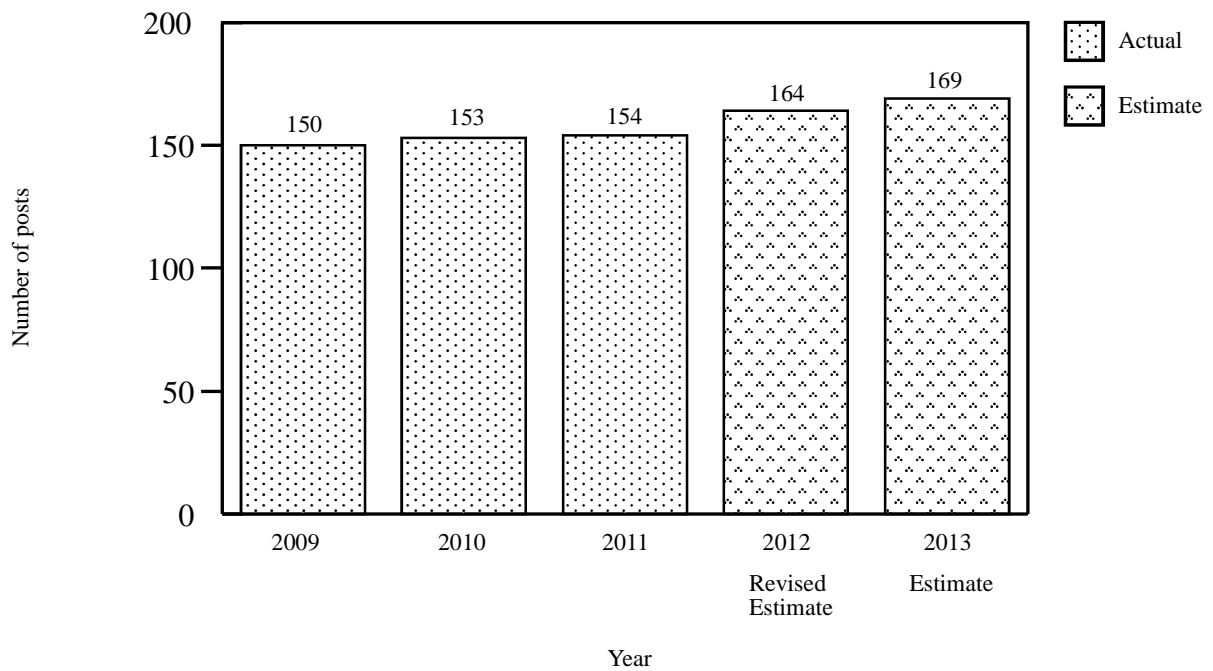
*Allocation of provision
to programmes
(2012-13)*



*Staff by programme
(as at 31 March 2013)*



*Changes in the size of the establishment
(as at 31 March)*



**Head 158 — GOVERNMENT SECRETARIAT: TRANSPORT AND HOUSING
BUREAU (TRANSPORT BRANCH)**

Sub-head (Code)	Actual expenditure 2010–11	Approved estimate 2011–12	Revised estimate 2011–12	Estimate 2012–13	
	\$'000	\$'000	\$'000	\$'000	
Operating Account					
Recurrent					
000	Operational expenses	121,382	133,117	132,516	142,883
	Total, Recurrent	<u>121,382</u>	<u>133,117</u>	<u>132,516</u>	<u>142,883</u>
Non-Recurrent					
700	General non-recurrent	1,257	4,316	5,338	2,903
	Total, Non-Recurrent	<u>1,257</u>	<u>4,316</u>	<u>5,338</u>	<u>2,903</u>
	Total, Operating Account	122,639	137,433	137,854	145,786
<hr/>					
	Total Expenditure	<u><u>122,639</u></u>	<u><u>137,433</u></u>	<u><u>137,854</u></u>	<u><u>145,786</u></u>

**Head 158 — GOVERNMENT SECRETARIAT: TRANSPORT AND HOUSING
BUREAU (TRANSPORT BRANCH)**

Details of Expenditure by Subhead

The estimate of the amount required in 2012–13 for the salaries and expenses of the Transport Branch is \$145,786,000. This represents an increase of \$7,932,000 over the revised estimate for 2011–12 and of \$23,147,000 over actual expenditure in 2010–11.

Operating Account

Recurrent

2 Provision of \$142,883,000 under *Subhead 000 Operational expenses* is for the salaries, allowances and other operating expenses of the Transport Branch.

3 The establishment as at 31 March 2012 will be 164 permanent posts. It is expected that there will be a net increase of five posts in 2012–13. Subject to certain conditions, the controlling officer may under delegated power create or delete non-directorate posts during 2012–13, but the notional annual mid-point salary value of all such posts must not exceed \$68,868,000.

4 An analysis of the financial provision under *Subhead 000 Operational expenses* is as follows:

	2010–11 (Actual) (\$'000)	2011–12 (Original) (\$'000)	2011–12 (Revised) (\$'000)	2012–13 (Estimate) (\$'000)
Personal Emoluments				
- Salaries	88,893	92,881	97,449	101,987
- Allowances	3,330	3,099	2,697	2,734
- Job-related allowances.....	—	2	1	2
Personnel Related Expenses				
- Mandatory Provident Fund contribution	266	139	243	192
- Civil Service Provident Fund contribution	1,870	2,782	2,403	2,779
Departmental Expenses				
- General departmental expenses	27,023	34,214	29,723	35,189
	<hr/>	<hr/>	<hr/>	<hr/>
	121,382	133,117	132,516	142,883

**Head 158 — GOVERNMENT SECRETARIAT: TRANSPORT AND HOUSING
BUREAU (TRANSPORT BRANCH)**

Commitments

Sub-head (Code)	Item (Code)	Ambit	Approved commitment	Accumulated expenditure to 31.3.2011	Revised estimated expenditure for 2011-12	Balance
			\$'000	\$'000	\$'000	\$'000
<i>Operating Account</i>						
700	<i>General non-recurrent</i>					
021	Organisation of an international logistics conference.....		900	168	300	432
023	Promotion of Hong Kong's logistics advantages under the Mainland/Hong Kong Closer Economic Partnership Arrangement.....		600	42	88	470
928	Consultancy study on potential reprovisioning sites for oil depots affected by the proposed port development at Southwest Tsing Yi		7,000	3,113	3,204	683
959	Study on the Strategic Development Plan for Hong Kong Port 2030.....		2,773	—	416	2,357
	Total		<u>11,273</u>	<u>3,323</u>	<u>4,008</u>	<u>3,942</u>